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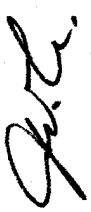
OF COUNSEL  
URBAN A. LESTER

August 28, 1998

RECORDATION NO. **21605** FILED

AUG 28 '98

2-20 PM

  
Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Security Agreement (Mortgage), dated August 28, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Borrower: National Railroad Passenger Corporation  
60 Massachusetts Avenue NE  
Washington, DC 20002

Secured Party: Export Development Corporation  
151 O'Connor Street  
Ottawa, Canada K1A 1K3

A description of the railroad equipment covered by the enclosed document is set forth on page 2 of the Security Agreement.

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

AUG 28 2 18 PM '98

Mr. Vernon A. Williams  
August 28, 1998  
Page 2

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

AUG 28 '98

2-20PM

## SECURITY AGREEMENT (MORTGAGE)

On this 28th day of August 1998, the NATIONAL RAILROAD PASSENGER CORPORATION, 60 Massachusetts Avenue, N.E., Washington, D.C. 20002 (hereinafter referred to as the "BORROWER"), and EXPORT DEVELOPMENT CORPORATION, Place Export Canada, 151 O'Connor Street, Ottawa, Canada K1A 1K3 (hereinafter referred to as "EDC"), hereby agree as follows:

ARTICLE I  
SECURITY INTEREST

In consideration of the benefits conferred upon the BORROWER under the Loan Agreement dated as of August 28, 1998 between the BORROWER and EDC (the "LOAN AGREEMENT"), pursuant to which EDC (a) has lent or will lend monies to the BORROWER, and (b) by making advances and incurring obligations, has given or will give value to enable the BORROWER to acquire rights in and use of the COLLATERAL (as herein defined), and pursuant to the terms and conditions of the LOAN AGREEMENT, the BORROWER hereby grants to and recognizes in EDC a security interest (purchase money and otherwise) in the COLLATERAL, to secure the BORROWER's performance and payment hereunder and under the LOAN AGREEMENT.

ARTICLE II  
COLLATERAL

The collateral subject to this SECURITY AGREEMENT (MORTGAGE) (herein referred to as "COLLATERAL") is all of the BORROWER's right, title and interest in the property of the following description whether now existing or hereafter arising or acquired, and wherever located, and (notwithstanding that power of sale is limited by agreement) whatever may be received upon sale, exchange, collection or other disposition thereof (such receipts, products and proceeds in whatever form, including without limitation trades, exchanges, goods, accounts including contract rights, instruments, documents, chattel paper, general intangibles, money, bank accounts and deposits and all insurance proceeds payable by reason of loss of or damage to the COLLATERAL):

up to the 2 high speed trainsets, acquired and to be acquired by the BORROWER by reason of its exercise of its option to purchase two (2) additional trainsets under the COMMERCIAL CONTRACT, including without limitation rights to acquire the same, under the COMMERCIAL CONTRACT, whenever amended, among, from or through the BORROWER and a consortium comprised of Bombardier Corporation and GEC Alsthom Transportation Inc. (now known as ALSTOM Transportation Inc.) (the "EXPORTER"), and including, further, without limitation those described as GOODS:

- (a) type of equipment: up to 2 highspeed trainsets, (the "GOODS") and accessories used thereon:

(i)		(Identification Particulars)	Amtrak Equipment Numbers (inclusive)
	Trainsets	Power CARS Bistro Cars End Clubs End Coaches Coaches	2036 - 2039 3318 - 3319 3218 - 3219 3418 - 3419 3554 - 3559

- (b) identifying marks (may include but are not limited to): names, marks, logos or colours of National Railroad Passenger Corporation and AMTRAK;

together with all of BORROWER's interest pursuant to Section 4.1 of COMMERCIAL CONTRACT, in each of the following items, as each such item relates solely to the GOODS, all fabricated and unfabricated parts, work in progress, dies, jigs, fixtures, plans, drawings, information, contract rights, completed Work (as such term is defined in the COMMERCIAL CONTRACT, respectively, the "Work") related solely to the GOODS, supplies, and other material and property produced as part of, or specifically acquired in connection with, the performance of the Work related solely to the GOODS, including without limitation all books, files, records, completed or partially completed plans, drawings and fabrication drawings relating solely to the GOODS, and any other property which is required to be furnished to the BORROWER which is related solely to the GOODS upon completion of the GOODS, and all products and proceeds thereof together with all substitutions, renewals, replacements, returns, repossessions, additions, improvements, accessions and exchanges of all of the foregoing ("REPLACEMENT GOODS");

together with all records of all of the foregoing ("RECORDS").

But excluding from the COLLATERAL, any portion of the COMMERCIAL CONTRACT that are not assigned to EDC pursuant to the ASSIGNMENT.

### ARTICLE III FINANCING STATEMENT

As necessary to fully perfect and give notice of EDC's interests in the COLLATERAL and/or at the request of EDC, the BORROWER will join in executing, or will execute, as appropriate, all

necessary documents, including agreements, mortgages, assignments, financing statements, filings, continuation statements and any other documents necessary or appropriate for perfection or continuation of EDC's security interest and other interests (herein referred to as SECURITY DOCUMENTS), all in form both legally appropriate and satisfactory to EDC, and will pay the costs of filing and recording any such SECURITY DOCUMENTS wherever legally appropriate or EDC deems necessary or desirable. Upon full satisfaction of all of the OBLIGATIONS (as defined in the LOAN AGREEMENT), (b) in the case of leased GOODS to which BORROWER does not retain title, on the closing of the applicable lease transaction under such Section 12.03, (c) in the case of leased GOODS as to which the BORROWER retains title, upon full satisfaction of the applicable obligor's obligations under the notes issued in replacement for NOTE pursuant to the applicable lease transaction under Section 12.03 of the LOAN AGREEMENT or (d) after the payment of the MAXIMUM TOTAL LOSS PAYABLE (as defined in the LOAN AGREEMENT) with respect to GOODS or of a stipulated loss value amount with respect to any leased GOODSS, it shall be BORROWER's or such obligor's responsibility to obtain from EDC EDC's signature on and subsequently to file any documents necessary to evidence termination of the security and other interests granted and provided for herein (in full or with respect to the applicable GOODSS or leased GOODS, as the case may be), including any termination statements. EDC shall cooperate with the BORROWER or such obligor in providing any necessary EDC signatures for such documents. The BORROWER warrants that no lien, including, without limitation, any lien perfected by or arising from any financing statement or mortgage, directly or indirectly covering the COLLATERAL or any part thereof in favour of anyone who may claim by, through, or under the BORROWER exists or is presently on file in any public office other than PERMITTED LIENS (as defined below).

#### **ARTICLE IV**

##### **LOCATION AND IDENTIFICATION OF BORROWER AND THE COLLATERAL**

The BORROWER shall maintain as part of the COLLATERAL such records as are necessary to identify the location of any and all COLLATERAL which is subject to this SECURITY AGREEMENT (MORTGAGE). The BORROWER's principal office and place of business, chief executive office and office where records pertaining to the COLLATERAL are maintained and located at 60 Massachusetts Avenue, N.E., Washington, D.C. 20002. Prior to conditional acceptance of the COLLATERAL by the BORROWER pursuant to the COMMERCIAL CONTRACT the COLLATERAL may from time to time be located at the locations identified on Schedule "A". The BORROWER shall inform EDC of any other location of the COLLATERAL, other than passenger rail vehicles and rolling stock, or of any change in location of a significant portion of such COLLATERAL prior to such change.

#### **ARTICLE V**

##### **PROTECTION OF COLLATERAL**

The BORROWER shall keep the COLLATERAL in good order and repair, ordinary wear and tear excepted, shall not waste or destroy the COLLATERAL or any part thereof and shall use and

maintain the COLLATERAL subject to scheduling in the ordinary course of the BORROWER's maintenance program, so that the BORROWER is in compliance with any provision of any applicable law, or rule, regulation, interpretation, code or order of any government or subdivision, agency or authority and of the Federal Railroad Administration ("FRA") or other person authorized to promulgate such rules, regulations, interpretations or orders; provided however, that the BORROWER may upon written notice to EDC, in good faith, contest the validity or application of any such law, rule, regulation, interpretation, code or order in any reasonable manner, that does not, in the reasonable opinion of the BORROWER materially and adversely affect the rights of EDC hereunder or under the LOAN AGREEMENT or create material risk of any criminal or material civil liability on the part of EDC or involve any material risk of loss, forfeiture or sale of the COLLATERAL. Subject to the preceding sentence, the BORROWER may take a GOOD out of service while awaiting repair so long as the BORROWER takes reasonable care to prevent deterioration of the condition of such GOOD beyond that attributable to the circumstances necessitating such repair. With regard to any loss or damage to the COLLATERAL, the BORROWER shall comply with the provisions of the LOAN AGREEMENT. The BORROWER shall maintain complete, accurate and reasonable records showing the condition, maintenance, and use of the COLLATERAL. EDC shall, at its own risk and expense, have the right to examine and inspect the COLLATERAL and any records related thereto, to such extent and at such times as are reasonable in the circumstances.

The BORROWER shall defend the COLLATERAL against any and all claims and demands of any and all persons at any time claiming the same or any interest therein. The BORROWER promptly shall notify EDC as to any claim or demand against the COLLATERAL not constituting a PERMITTED LIEN in order to afford EDC an opportunity to intervene as to such claim or demand; provided that the BORROWER may at its own expense in good faith, contest the validity or application of any such claim or demand or lien in any manner which does not, in the reasonable opinion of the BORROWER, materially and adversely affect the rights of EDC hereunder or under the LOAN AGREEMENT or create material risk of any criminal or material civil liability on the part of EDC or involve any material risk of loss, forfeiture or sale of the COLLATERAL .

## **ARTICLE VI**

### **ALIENATION OF COLLATERAL**

Except as provided in this Article VI, until all of the BORROWER's debts and OBLIGATIONS have been fully satisfied, the BORROWER shall not, without prior express written consent from EDC, sell, contract to sell, lease, assign, encumber, or otherwise dispose of, transfer, or relinquish possession or control of all or any part of the COLLATERAL or any interest therein, except in accordance with Section 12.03 of the LOAN AGREEMENT and as to a security interest which is subordinate to the security interest of EDC, provided, however, that no such subordinate security interest may attach until EDC, upon receipt from the BORROWER of evidence of such proposed subordinate security interest and in the exercise of EDC's reasonable judgment, determines that such proposed security interest is in fact subordinate.

Subject to EDC's consent, which consent shall not be unreasonably withheld or delayed and which consent is not required in respect to any lease of the GOODS to a Governmental Agency or to a railroad (within the meaning of U.S. Bankruptcy Act) the BORROWER shall be entitled to enter into a lease for the GOODS subject to all the terms and conditions of this SECURITY AGREEMENT (MORTGAGE) and the LOAN AGREEMENT; provided, that the BORROWER's obligations hereunder and thereunder shall continue in full force and effect as the obligations of a principal and not of a surety irrespective of any such lease. Each lease permitted by this paragraph shall (unless otherwise consented to by EDC, which consent will not be unreasonably withheld or delayed), (a) be expressly subject and subordinate to all of the provisions of this SECURITY AGREEMENT (MORTGAGE) and to the rights and remedies of EDC under the LOAN AGREEMENT in respect of the GOODS covered by such lease and (b) not be to an entity which is then subject to a proceeding under the Bankruptcy Code. For purposes of clause (b) of the preceding sentence, "leases" shall not include leases or other use arrangements under which the BORROWER retains direct operational control of the GOODS or maintenance responsibility.

EDC may assign its rights and obligations under this SECURITY AGREEMENT (MORTGAGE). Any assignment attendant to a transfer of interest under Section 12.04 of the LOAN AGREEMENT shall be coincident with and proportionate to that assignment.

## **ARTICLE VII TAXES, ASSESSMENTS AND CHARGES**

The BORROWER shall pay promptly when due all taxes, assessments, and other public charges upon the COLLATERAL or upon its possession, ownership, or operation, including, without limitation, any property, excise, sales or other tax or charge. The BORROWER shall not be required to pay or discharge any such TAXES so long as it shall in good faith and by appropriate administrative or legal proceedings contest the validity thereof in a reasonable manner which will not affect or endanger the title of the BORROWER or the security interest of EDC in the COLLATERAL, and the BORROWER shall reimburse EDC for any damages or expenses resulting from such failure to pay or discharge.

The provisions of Articles V and VII hereof shall not be deemed to require defense or discharge of the following liens referred to herein as PERMITTED LIENS: (a) liens for taxes, assessments, governmental levies or other liens, in each case not due and delinquent, or undetermined; (b) inchoate materialman's, mechanic's, workman's, repairman's or other like liens arising in the ordinary course of business and, in each case not adversely affecting the security interest of EDC in the COLLATERAL; (c) interests created in connection with or permitted by any lease transaction entered into in accordance with Section 12.03 of the LOAN AGREEMENT; and (d) the lien of the FRA Security Agreement dated October 5, 1983 by and between the BORROWER and the Federal Railroad Administration (the "FRA") as subordinated pursuant to the Subordination Agreement and Consent to Superior Obligation and Lien dated as of August 28, 1998 among the FRA, the BORROWER and EDC and Leases permitted under Article VI.

**ARTICLE VIII**  
**REIMBURSEMENT OF SECURED PARTY'S EXPENSES**

At its option, EDC may, upon prior written notice to the BORROWER, at any time discharge, or cause to be discharged, without thereby waiving any default, any taxes, assessments, or other public charges and any liens, security interests, or other encumbrances on the COLLATERAL required to be discharged or defended by the BORROWER hereunder, except a security interest which is subordinate to the security interest of EDC, provided, however, that, as to such subordinate security interest, the BORROWER shall have fulfilled its obligations under ARTICLE VI of this SECURITY AGREEMENT (MORTGAGE), if applicable; perform or cause to be performed any actions, conditions, obligations, or covenants that the BORROWER has failed or refused to perform with respect to third parties; and pay for the repair, maintenance and preservation of the COLLATERAL required hereunder; provided, however, that as to a failure to discharge, perform, pay, or otherwise act within the contemplation of this paragraph which is capable of cure within 30 days of such notice, the BORROWER shall have an opportunity to cure such failure until the earlier of 30 days from such notice, the date on which the BORROWER in any manner evidences that it will not cure the failure, or the time at which a third party is legally empowered in the good faith opinion of EDC to take action against or possession of the COLLATERAL.

EDC shall promptly provide the BORROWER with notice of its discharge, performance, payment, or other action pursuant to the foregoing paragraph and, thereafter, the BORROWER shall reimburse EDC on demand for any reasonable payment made or reasonable expense incurred by EDC pursuant to the foregoing paragraph. All sums so expended shall bear interest at the FLOATING INTEREST RATE as defined in the LOAN AGREEMENT plus 2% per annum, commencing from the date of notice by EDC until such sums are paid to EDC and, until so paid, such sums together with interest shall constitute additional OBLIGATIONS of the BORROWER and be secured by the COLLATERAL under this SECURITY AGREEMENT (MORTGAGE).

**ARTICLE IX**  
**THE BORROWER'S WARRANTIES, REPRESENTATIONS**

The BORROWER warrants and represents to EDC, which warranties and representations shall remain true and correct and shall survive the execution and delivery hereof and shall survive until the satisfaction of the OBLIGATIONS and all payments, performances and obligations hereunder that:

- (a) all statements, representations, warranties and undertakings of the BORROWER hereunder (and under the incorporated LOAN AGREEMENT and the SECURITY DOCUMENTS) or in any statement or writing in connection herewith (and therewith) are true and correct other than statements, representations and warranties by their terms made as of a particular date, in which case such statements, representations and warranties shall

be true as of such date, however nothing in this paragraph limits or expands the representations or warranties contained in any other of the SECURITY DOCUMENTS;

- (b) the BORROWER will pay, keep and perform all OBLIGATIONS under the AGREEMENTS;
- (c) the BORROWER has, or, as to any COLLATERAL to be acquired after the date hereof will have, full and complete ownership of and title to the COLLATERAL, free and clear of any liens, encumbrances, interests, impositions or claims of all persons except, as of the date hereof, the security interests of EDC and PERMITTED LIENS and, at any time hereafter, any additional person(s) holding security interest(s) subordinate to EDC's security interest (it being understood by EDC, however, (i) that title to certain tangible items of COLLATERAL will not be acquired by the BORROWER until conditional acceptance thereof under the COMMERCIAL CONTRACT and (ii) that the BORROWER may not be the owner of the lines of railway over which portions of the COLLATERAL will be operated);
- (d) the BORROWER has not granted, as of the date hereof, any security interest in the COLLATERAL to any person other than the Federal Railroad Administrator, which interest is or will be subordinated to EDC's security interest in the COLLATERAL, and EDC's security interest in the COLLATERAL is and will be under the laws of the United States, the states thereof and the District of Columbia, to the maximum extent the BORROWER has rights in the COLLATERAL under the COMMERCIAL CONTRACT or otherwise (i) valid and enforceable, (ii) fully perfected and protected by the filing of this Agreement with the Surface Transportation Board pursuant to 49 U.S.C. §11301 and the filing of appropriate documents, including financing statements and, where required, this SECURITY AGREEMENT (MORTGAGE), with the Recorder of Deeds of the District of Columbia or in any other state of the United States or subdivision thereof deemed necessary or desirable by EDC under the Uniform Commercial Code as enacted, or other applicable federal or state law, without any further or other filing in the United States (except continuation statements), assignment, possession or otherwise of any COLLATERAL or any agreement, document or instrument of or pertaining thereto, and (iii) first, valid and enforceable security and mortgagee's purchase money interests, prior and superior to all claims, liens, charges, attachments and encumbrances of all persons, except and only to the extent specifically accepted by EDC in writing prior to creation of any other security interest;
- (e) the advances and disbursements of EDC under the LOAN AGREEMENT and hereunder will in fact be used to enable the BORROWER to acquire its rights in and use of the COLLATERAL;
- (f) the BORROWER will maintain insurance in accordance with the Loan Agreement naming EDC as the loss payee, against loss of or damage to the COLLATERAL and deliver evidence of effectiveness and continuation thereof as EDC may request;

- (g) this SECURITY AGREEMENT (MORTGAGE) is the legal, valid and binding obligation of the BORROWER, enforceable against the BORROWER in accordance with its terms;
- (h) the BORROWER will indemnify and save harmless EDC from and against any and all claims, costs and expenses (including without limitation reasonable experts' and attorneys' fees) pertaining to or arising from the default, inaccuracy or failure of the foregoing representations and warranties.
- (i) GOODS accepted by the BORROWER under the COMMERCIAL CONTRACT will be built in compliance with and conform to all standards and requirements of the Federal Railroad Administration.

## **ARTICLE X**

### **REMEDIES OF SECURED PARTY**

So long as an EVENT OF DEFAULT under the LOAN AGREEMENT shall have occurred and is continuing:

- (a) EDC may, subject to the terms and conditions of the LOAN AGREEMENT, declare all OBLIGATIONS secured hereby immediately due and payable and may proceed to enforce payment of the same and exercise any and all rights and remedies provided by the District of Columbia Code, as well as any and all other legal, equitable, or contractual rights and remedies possessed by EDC;
- (b) subject to subparagraph (a) above, EDC shall have the right to take possession of and remove the COLLATERAL from the BORROWER's property or wherever located. EDC may require the BORROWER to assemble the COLLATERAL and make it available to EDC at any place to be designated by EDC that is reasonably convenient to both parties. For purposes of possession and removal of the COLLATERAL, EDC or its authorized representatives may peaceably enter any property of the BORROWER or on which the COLLATERAL is located without legal process, and the BORROWER hereby waives and releases EDC and agrees to indemnify EDC of and from any and all claims in connection therewith or arising therefrom, except for claims arising out of gross negligence or willful misconduct of EDC or its authorized representatives;
- (c) on obtaining possession of the COLLATERAL upon an EVENT OF DEFAULT under the LOAN AGREEMENT, EDC may lease, sell or otherwise dispose of the COLLATERAL or any part thereof in any manner permitted by law, including disposition at a public or private sale either with or without having the COLLATERAL at the place of sale, and in a commercially reasonable manner. Insofar as may be lawful, EDC may be a purchaser at such sale. EDC shall give the BORROWER reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is given pursuant to Article XII hereof at

least ten (10) days before the time of the sale or disposition. The net proceeds of such sale, after deducting all expenses of EDC in taking, storing, repairing, preparing for sale of and selling the COLLATERAL, including EDC's reasonable attorneys fees and legal costs, shall be credited against the BORROWER's obligations under and pursuant to the LOAN AGREEMENT. Any surplus shall be paid to the Federal Railroad Administrator, if legally entitled thereto. In the event of a deficiency, the BORROWER shall pay such deficiency to EDC on demand with interest after default as specified in the LOAN AGREEMENT.

If suit is brought or any proceeding is instituted by EDC in good faith in connection with this SECURITY AGREEMENT (MORTGAGE), there shall be due from the BORROWER to EDC, immediately on the commencement thereof, reasonable attorneys fees in such action or proceeding, which sum is hereby secured. In any such action or proceeding, EDC shall be entitled to the employment of a receiver, without notice, to take possession of all or any part of the COLLATERAL in accordance with the provisions hereof and the Subordination Agreement and to exercise such powers as the court shall confer upon such receiver.

#### **ARTICLE XI AUTHORIZED SIGNATORIES**

All notices, communications, certificates and other documentation required to be delivered to EDC pursuant to the provisions of this SECURITY AGREEMENT (MORTGAGE) shall be signed by an individual duly authorized for that purpose. The BORROWER agrees with EDC that it will forthwith after the execution of this SECURITY AGREEMENT (MORTGAGE), deliver to EDC a written statement signed by an officer setting forth the names and occupations of individuals in its employ who are so authorized to sign on its behalf together with specimen signatures for each individual, and acknowledges and agrees that EDC shall, without further evidence or confirmation and until notified in writing to the contrary (effective only upon actual receipt by EDC), be entitled to rely upon the authority of such individual or individuals, as the case may be, and any of the foregoing instruments signed by such individual or individuals in accordance with the written statement shall be binding upon it. For the foregoing purposes, a telex or telefax shall be deemed to be signed by the individual or individuals whose names are typed thereon as the signatory or signatories of that telex or telefax.

#### **ARTICLE XII NOTICE**

Every notice, demand, request, consent, approval, waiver or agreement to be given or made hereunder shall, save as otherwise herein specifically provided, be in writing and shall be delivered by hand or sent by prepaid air mail or by telex or telefax and shall be deemed to have been given and received, if delivered by hand, upon delivery, if sent by mail, the 10th day (excluding Saturdays and Sundays) following the date of mailing, and if sent by telex or telefax the second day (excluding Saturday and Sunday) following the date of transmission. The

mailing address, telex number or telefax number of each of the parties for such purposes shall respectively be:

for the BORROWER,

NATIONAL RAILROAD PASSENGER CORPORATION  
60 Massachusetts Ave., N.E..  
Washington, D.C. 20002

Attention: Treasurer

Telefax: (202) 906-2174

for EDC,

EXPORT DEVELOPMENT CORPORATION  
151 O'Connor Street  
Ottawa, Canada K1A 1K3

Attention: LoansOperations

Telex: 053-4136 EXCREDCORP

Telefax: (613) 598-2514

or such other mailing address, telex number or telefax number as any party may, for itself, from time to time notify the others as aforesaid.

### **ARTICLE XIII PROPER LAW**

This Agreement shall be deemed to be made under and shall be governed by and construed in accordance with the local laws of the District of Columbia, U.S.A. without regards to conflicts or choice of law provisions except and to the extent precluded by other local laws of mandatory application; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. 11301.

### **ARTICLE XIV WAIVER**

Any single partial exercise by EDC of any right or remedy for a default or breach of any term of this SECURITY AGREEMENT (MORTGAGE) shall not, and any failure to exercise or deal in exercising any such rights or remedies shall not, be or be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which EDC may be

lawfully entitled for the same default or breach; and any waiver by EDC of the strict observance or performance of or compliance with any term of this SECURITY AGREEMENT (MORTGAGE) shall not be deemed to be a waiver of any subsequent default or breach.

#### **ARTICLE XV SUCCESSORS AND ASSIGNS**

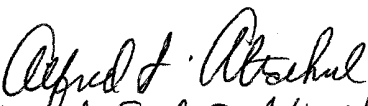
This SECURITY AGREEMENT (MORTGAGE) shall be binding upon and enure to the benefit of the parties and their respective successors and assigns; provided, that the BORROWER may not assign or transfer all or any part of its rights or obligations hereunder without the prior express written consent of EDC.

#### **ARTICLE XVI DEFINITIONS**

Capitalized terms and phrases used and not otherwise defined herein shall for all purposes of this SECURITY AGREEMENT (MORTGAGE) have the respective meanings specified therefor in Article I of the LOAN AGREEMENT.

IN WITNESS WHEREOF the parties hereto have signed and delivered this SECURITY AGREEMENT (MORTGAGE).

NATIONAL RAILROAD PASSENGER CORPORATION

Signature:   
(Print Name): Alfred S. Atschul

EXPORT DEVELOPMENT CORPORATION

Signature:   
(Print Name): ALLAN ROBERTS

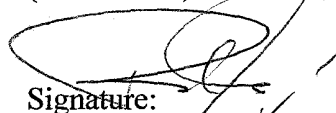
Signature:   
(Print Name): RAYMOND GAGNE

EXHIBIT "A"

LOCATION OF COLLATERAL

71 Wall Street  
Plattsburgh, NY 12901

P.O. Box 768  
Barre, VT 05641

P.O. Box 11130  
Pueblo, CO 81001

130, Route 230  
P.O. Box 580  
LaPocatiere, Quebec GOR 1Z0

Two Frontage Road  
Boston, MA 02118

39-29 Honeywell Street (Sunnyside)  
Long Island City, NY 11101

1401 West Street, N.E.  
Washington, DC 20018

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

On this, the 26th day of August, 1998, before me, a Notary Public, personally appeared Allan Roberts and Raymond Gagné, who being by me duly sworn, say that they are the Team Leader and the Financial Services Manager respectfully of EXPORT DEVELOPMENT CORPORATION, that said instrument was signed on August 26, 1998 on behalf of said corporation by authority of its Board of Directors, and they acknowledge that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Name:

Notary Public

My Commission does not expire:

District of Columbia ) ss

On this 27<sup>th</sup> day of August, 1998 before me personally appeared Alfred S. Altschul to me personally known, who being by me duly sworn, says that he is the Chief Financial Officer of the National Railroad Passenger Corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said Corporation.

SEAL

  
Notary Public

My Commission Expires: 1-1-2000